



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
AUCTIONEER COMMISSION
Davy Crockett Tower, Suite 635
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TN 37243-1152
(615) 741-3600

The Tennessee Auctioneer Commission held its meeting August 4, 2008 at 9:00 a.m. in Nashville, Tennessee, at the Andrew Johnson Tower, 2nd Floor Conference Room. Chairman Kenneth Dreaden called the meeting to order. The following business was transacted.

COMMISSION MEMBERS PRESENT

Kenneth Dreaden
Bobby Colson
Marvin Alexander
Howard Phillips

STAFF MEMBERS PRESENT

Lynn McGill, Administrative Director
Sheila Piper, Administrative Assistant
Adrian Chick, Staff Attorney

COMMISSION MEMBER ABSENT

Mary Frances Rudy

Motion was made by Howard Phillips and seconded by Bobby Colson to adopt agenda. Motion carried. No opposition.

Minutes from the meeting of July 7, 2008 were presented to the Commission Members for approval. Motion was made by Howard Phillips and seconded by Marvin Alexander to approve said minutes. Motion carried. No opposition.

The firm application of Real Estate Disposition Corporation was presented to the Commission Members for approval. Motion was made by Howard Phillips and seconded by Marvin Alexander to send a letter requesting the name of the principal auctioneer and the principal in charge. Motion carried. No opposition.

Staff Attorney presented the following complaints to the Commission Members.

1. L08-AUC-RBS-2008011861 ION PROPERTIES

COMPLAINT: This complaint was presented at the last meeting and the Commission requested additional information. The complaint alleges that the Respondent engaged in auctioneering without being licensed. The complaint was based on an advertisement in a local newspaper for an upcoming auction of real property.

Minutes

RESPONSE: The Respondent states that the property is owned by his company, and that he placed the ad in the newspaper and conducted the auction by silent bids. He states that he was not paid any consideration for performing the auction, and in fact the property sold at a loss. The property was formerly used as a rental unit, and it was decided to sell the property after it was returned from the last tenant.

Motion was made by Bobby Colson and seconded by Howard Phillips to accept Legal's recommendation to dismiss. The facts do not constitute a violation under our statute. Motion carried. No opposition.

2. L08-AUC-RBS-2008008061 CHRIS GODSEY

Complaint: The complainant alleges that goats were purchased from Respondent at an auction. After getting the goats home, the complainant noticed that one of the baby goats smelled bad, and took it to the veterinarian, who diagnosed the goat with "CL" (Caseous Lymphadenitis). The complainant's farm has now been contaminated with this apparently infectious disease.

Response: An investigator attended one of the goat auctions, and determined that the Respondent is not a licensed auctioneer and did not conduct the auction. The auction was conducted by a properly licensed firm and auctioneer.

Motion was made by Howard Phillips and seconded by Marvin Alexander to accept Legal's recommendation to dismiss. No violation of auctioneer statutes or rules. Motion carried. No opposition

3. L08-AUC-RBS-2008010311 MCWILLIAMS R & A

Complaint: This complainant hired the Respondent firm to conduct an absolute auction of real and personal property. The complainant alleges that the Respondent "picked over things that I had in my house for their own use", that he had a coffee table missing, a camera was misplaced, tools disappeared from the garage, and that he "didn't make a dime" from the auction.

Response: The Respondent states that the property was in very poor condition and required days of preparation prior to being ready for auction. The coffee table was pine, dented & scratched, had a cracked leg, and was sold for \$2. The camera received no bids, so it was grouped together with other items, and tools were scattered everywhere, some of which were buried underneath junk. The Respondent explained in great detail what an absolute auction was, and what a reserve auction was, and the property sold for an amount very close to what had been estimated by the Respondent. The Respondent has provided documentation to support all of its statements, as well as copies of contracts and closing statements.

Motion was made by Marvin Alexander and seconded by Howard Phillips to accept Legal's recommendation to dismiss. No violation established. Motion carried. No opposition.

200705318.

Motion was made by Marvin Alexander and seconded by Bobby Colson to accept Legal's recommendation to authorize a Formal Hearing. Motion carried. No opposition.

Rulemaking Hearing scheduled for September 15, 2008.

Election of officers was held. Motion was made by Howard Phillips to nominate Marvin Alexander as Chairperson. Elected by acclamation.

Motion was made Bobby Colson to nominate Howard Phillips as Vice-Chairperson.

Elected by acclamation

There being no further business, meeting adjourned.

APPROVED:

Marvin Alexander
Chairperson

Howard Phillips
Vice-Chairperson

Kenneth Dreaden
Board Member

Bobby Colson
Board Member

Mary Frances Rudy
Board Member